

HOUSE BILL 1364
By Head

AN ACT to amend Tennessee Code Annotated, Section 8-36-208, relative to maximum benefits provided to certain members of the Tennessee consolidated retirement system and certain superseded systems.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-36-208(a), is amended by deleting the same in its entirety and by substituting instead the following:

(a) Notwithstanding any provision of the law to the contrary, the service retirement allowance payable under the provisions of this chapter shall not exceed seventy-five percent (75%) of the member's average final compensation, except as provided in subdivisions (a)(1) - (a)(4).

(1) In the case of Class C members of the superseded Tennessee state retirement system, the service retirement allowance shall not exceed eighty percent (80%) of the member's average final compensation.

(2) In the case of Group 2 members, the service retirement allowance shall not exceed eighty percent (80%) of the member's average final compensation, unless such member is a member by virtue of employment with an employer participating in the retirement system pursuant to Chapter 35, Part

2, of this title. In such event, the service retirement allowance for such member shall be subject to the seventy-five percent (75%) limit, unless the chief governing body of such employer passes and files with the board of trustees a resolution increasing the limit to eighty percent (80%) and accepting the liability therefor.

(3) In the case of Group 1 members, the service retirement allowance shall not exceed ninety percent (90%) of the member's average final compensation, unless such member is a member by virtue of employment with an employer participating in the retirement system pursuant to Chapter 35 of this title. In such event, the service retirement allowance for such member shall be subject to the seventy-five percent (75%) limit, unless the chief governing body of such employer passes and files with the board of trustees a resolution increasing the limit to ninety percent (90%) and accepting the liability therefor.

(4) In the case of Class B members of the superseded state retirement system, the service retirement allowance shall not exceed seventy-seven and one-half percent (77.5%) of the member's average final compensation.

SECTION 2. The provisions of this act shall be subject to funding being provided in the General Appropriations Act.

SECTION 3. This act shall take effect July 1, 2003, the public welfare requiring it.